CMS Manual System	Department of Health & Human Services (DHHS)
Pub. 100-04 Medicare Claims Processing	**Centers for Medicare & Medicaid Services (CMS)**
Transmittal 191	**Date: MAY 28, 2004**

CHANGE REQUEST 3295

I. SUMMARY OF CHANGES: The following instruction provides information to DMERCS and FIs for handling claims received for codes L5673 and L5679 until October 1, 2004. As of April 1, 2004, a supplier cannot get paid for L5673 and L5679 for services provided to a beneficiary in a Part A Skilled Nursing Facility (SNF) stay due to a programming error. The codes were inadvertently left off the April 2004 Quarterly Update. This CR notifies the DMERCs and FIs to use the CWF override code to pay claims brought to their attention for re-opening and re-processing. The L codes will be added to the edits with the October 2004 quarterly update. This CR will provide provider education concerning a coding error in SNF consolidated billing and instructions for necessary DMERC and FI action.

NEW/REVISED MATERIAL - EFFECTIVE DATE: June 28, 2004
IMPLEMENTATION DATE: June 28, 2004

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: *N/A*
   (R = REVISED, N = NEW, D = DELETED) – (*Only One Per Row.*)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE

*III. FUNDING:

These instructions shall be implemented within your current operating budget.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	**One-Time Notification**
	Recurring Update Notification

*Medicare contractors only

Attachment - One-Time Notification

Pub. 100-04	Transmittal: 191	Date: May 28, 2004	Change Request 3295

SUBJECT: Skilled Nursing Facility Consolidated Billing L Codes – DMERCs and FIs

I. GENERAL INFORMATION

A. Background: Due to a programming error, codes L5673 and L5679, which replaced codes K0557 and K0558 were inadvertently left off of the April 2004 Quarterly Update edits for Skilled Nursing Facility (SNF) consolidated billing which would have allowed them to be paid separately by the Medicare DMERC and FI outside of the prospective payment system (PPS) rate for Medicare beneficiaries in a Part A SNF stay. These codes will be added to the edits with the October 2004 quarterly update.

L5673 - Addition to lower extremity, below knee/above knee, custom fabricated from existing mold or prefabricated, socket insert, silicone gel, elastomeric or equal, for use with locking mechanism, effective January 1, 2004

L5679 - Addition to lower extremity, below knee/above knee, custom fabricated from existing mold or prefabricated, socket insert, silicone gel, elastomeric or equal, not for use with locking mechanism, effective January 1, 2004

K0557 - same definition as L5673, terminated December 31, 2003

K0558 - Addition to lower extremity, below knee/above knee, custom fabricated socket insert for congenital or atypical traumatic amputee, silicone gel, elastomeric or equal, for use with or without locking mechanism, initial only (for other than initial, use code K0556 or K0557), terminated December 31, 2003

When the claims for L5679 and L5673 are rejected, providers and suppliers will receive Remittance Advice ANSI Reason code 109, "Claim not covered by this payer/contractor. You must send the claims to the correct payer/contractor." and remark code MA101, "A SNF is responsible for payment of outside providers who furnish these services/supplies under arrangement to its residents."   Since these codes were mistakenly not added to the edits for services that are separately payable outside of consolidated billing and the PPS rate, the provider or supplier should not contact the SNF for payment of these claims.

B. Policy: Policy for SNF consolidated billing may be found in Publication 100-04, Chapter 6 – SNF Inpatient Part A Billing, §110 – 110.4.1.

C. Provider Education: A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site

and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article must be included in your next regularly scheduled bulletin.

II.   BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement
"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
3295.1	When brought to their attention by providers and suppliers, DMERCS and FIs shall re-open and re-process claims using the CWF override code for L5673 and L5679 for claims submitted with dates of service on or after 1/1/04 through 9/30/04 that have been rejected due to the SNF consolidated billing edits.	DMERCs FIs
3295.1.1	DMERCs and FIs shall pay interest as appropriate.	DMERCs FIs
3295.2	DMERCs and FIs shall conduct provider education per section I.C above.	DMERCs FIs

III.   SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A.   Other Instructions: N/A

X-Ref Requirement #	Instructions

B.   Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C.   Interfaces: N/A

D.   Contractor Financial Reporting /Workload Impact: N/A

E.   Dependencies: N/A
F.   Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

Effective Date: June 28, 2004 **Implementation Date:** June 28, 2004 **Pre -Implementation Contacts:** Wendy Knarr (410) 786-0843 (TDD) for DMERCs and Cindy Murphy (410) 786-5733 for FIs **Post-Implementation Contact(s):** Appropriate Regional Office	These instructions shall be implemented within your current operating budget.